

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

NUMBER: 9xxx.200x

ISSUE DATE:

Digital Products – General Analysis of Tax Liability

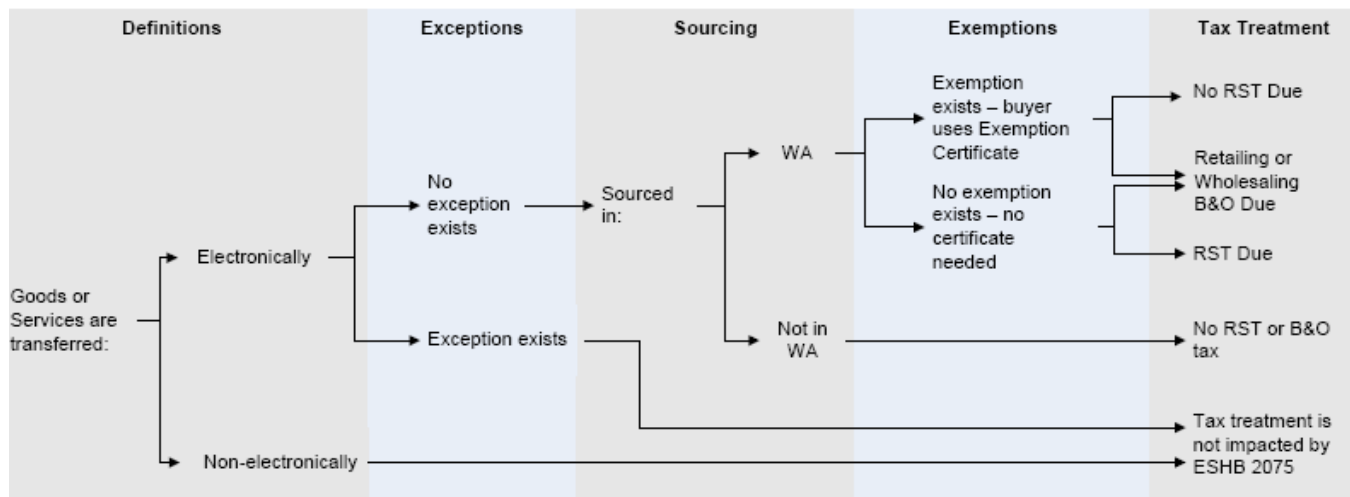
Overview This excise tax advisory summarizes the overall process of analysis, highlights key considerations in the analysis process, and directs taxpayers to other excise tax advisories that contain more detailed discussions.

Decision tree The graphic below demonstrates the analysis needed to determine if an electronically-transferred product is taxable as a digital product or remote access software as of July 26, 2009.

Presumptions

This decision tree presumes the seller is responsible for collecting Washington's retail sales tax. If the seller does not collect the sales tax, the buyer would still determine if it is responsible for remitting retail sales or use tax to the Department of Revenue (Department).

Decision Tree for Tax Treatment of Digital Products and Remote Access Software



Continued on next page

All ETAs were cancelled on February 2, 2009 and those which had a continued use were rewritten and reissued using a new numbering system. The new ETAs are numbered using the following format 3nnn.yyyy. The Department of Revenue issued ETA 3001.2009 which includes a cross reference table showing the old and new ETA numbers for those ETAs that were rewritten.

To inquire about the availability of receiving this document in an alternate format for the visually impaired or language other than English, please call (360)705-6715. Teletype (TTY) users please call 1-800-451-7985.

Please direct comments to:
 Department of Revenue
 Interpretation and Technical Advice
 Division
 P O Box 47453
 Olympia, Washington 98504-7453
 (360) 570.6124 eta@DOR.wa.gov

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

NUMBER: 9xxx.200x

ISSUE DATE:

Digital Products – General Analysis of Tax Liability, Continued

DRAFT

All ETAs were cancelled on February 2, 2009 and those which had a continued use were rewritten and reissued using a new numbering system. The new ETAs are numbered using the following format 3nnn.yyyy. The Department of Revenue issued ETA 3001.2009 which includes a cross reference table showing the old and new ETA numbers for those ETAs that were rewritten.

To inquire about the availability of receiving this document in an alternate format for the visually impaired or language other than English, please call (360)705-6715. Teletype (TTY) users please call 1-800-451-7985.

Please direct comments to:
Department of Revenue
Interpretation and Technical Advice
Division
P O Box 47453
Olympia, Washington 98504-7453
(360) 570.6124 eta@DOR.wa.gov

Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

NUMBER: 9xxx.200x

ISSUE DATE:

Analysis steps Taxpayers may not need to consider every step of analysis to determine if a sale is taxable or not, but it is important to remember the overall process and the consequences that result from determinations made at any level of analysis.

The table below lists the step, analysis, and the ETA reference for more detailed information.

Step	Analysis	ETA
1	Does the transaction involve the electronic transfer of a product or service?	See 9001 and 9002 for guidance already issued
2	Do any exceptions from the definition of digital product or remote access software apply?	9005 - October Issuance Planned
3	Where do you source the sale of a digital product?	9006 – Draft available for comment
4	Does an exemption from retail sales or use tax apply to the sale of a digital product?	9007 - October Issuance Planned
5	Are other issues such as amnesty, nexus, or royalties involved?	9008 - NOT ISSUED YET

Click [here](#)¹ for more information concerning location codes and other tools to help you determine local sales tax rates.

¹ <http://dor.wa.gov/content/FindTaxesAndRates/SalesAndUseTaxRates/>

All ETAs were cancelled on February 2, 2009 and those which had a continued use were rewritten and reissued using a new numbering system. The new ETAs are numbered using the following format 3nnn.yyyy. The Department of Revenue issued ETA 3001.2009 which includes a cross reference table showing the old and new ETA numbers for those ETAs that were rewritten.

To inquire about the availability of receiving this document in an alternate format for the visually impaired or language other than English, please call (360)705-6715. Teletype (TTY) users please call 1-800-451-7985.

Please direct comments to:
Department of Revenue
Interpretation and Technical Advice
Division
P O Box 47453
Olympia, Washington 98504-7453
(360) 570.6124 eta@DOR.wa.gov